

West Virginia Offices of the Insurance Commissioner

REQUEST FOR INFORMATION

RETURN TO:

State of West Virginia
Offices of the Insurance Commissioner
Greenbrooke Building
1124 Smith Street, Room L100
Charleston, WV 25301



RFI NUMBER	RELEASE DATE
INS12009	October 21, 2011
RESPONSE DUE DATE AND TIME	RFI CONTACT
November 30, 2011 5:00 p.m. Eastern Time	Vickie Marcum

This form is part of the RFI package and must be signed and returned along with information documents.

SUMMARY

The West Virginia Offices of the Insurance Commissioner is issuing this Request for Information, RFI INS12009, for the purpose of gathering information to identify viable available or proposed third-party platforms, and/or turn-key solutions, components, and services, as well as estimated pricing, capabilities, and ideas that best fit the State of West Virginia's needs for a Health Insurance Exchange. Information provided will assist the West Virginia Offices of the Insurance Commissioner in strategic planning for the future Health Insurance Exchange environment and applying for a Level Two Establishment Grant from the US Department of Health and Human Services.

PLEASE SEE THE FOLLOWING RESPONSE REQUIREMENTS.

1. One (1) sealed original and two (2) sealed copies of the entire RFI response must be received in the Offices of the Commissioner by the due date and time indicated above and in the Schedule of Events. No late information will be accepted. No electronic, e-mail, fax, voice, or telephone information will be accepted.
2. If the vendor wishes to have any information withheld from the public, such information must be submitted in a sealed package, which is separate from the remainder of the response. The separate package must be clearly marked PROPRIETARY on the outside of the package. See Section II. H. for additional details.
3. This form "REQUEST FOR INFORMATION" must be manually signed and returned by the information due date and time along with vendor's response and any other requirements as specified in the RFI.

VENDOR MUST COMPLETE THE FOLLOWING

By signing this form, the vendor guarantees compliance with the provisions stated in this Request for Information.

FIRM: _____

COMPLETE ADDRESS: _____

TELEPHONE NUMBER: _____ FAX NUMBER: _____

SIGNATURE: _____ DATE: _____

TYPED NAME & TITLE OF SIGNER: _____

WV Offices of the Insurance Commissioner
REQUEST FOR INFORMATION
NO. INS12009

Strategic Planning for the Future Health Insurance Exchange

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I. RFI DESCRIPTION AND SCOPE OF REQUESTED INFORMATION

The West Virginia Offices of the Insurance Commissioner (OIC) is issuing this Request for Information, RFI INS12009, for the purpose of gathering information to identify viable third-party Information Technology platforms and/or turn-key solutions, components, and services, as well as estimated pricing, requirements, and ideas that best fit the State of West Virginia's (State) needs for a Health Insurance Exchange (Exchange). Information provided will assist the West Virginia OIC in strategic planning for the future Exchange environment and applying for a Level Two Establishment Grant from the US Department of Health and Human Services.

A. RFI ENVIRONMENT

In March 2010, the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 were signed into law. The two laws are collectively referred to as the Affordable Care Act (ACA) (<http://www.healthcare.gov/law/about/index.html>).

The ACA requires the creation of a Health Insurance Exchange in each state, either by the state or by the Federal government, which must perform a variety of functions including offering residents of each state the means to compare information on available health benefit plans, enroll in plans, and receive subsidies if eligible. In addition, the Exchange (or an entity on behalf of the Exchange) will certify qualified health plans (QHPs) to be offered on the Exchange, rate those plans based on quality, maintain a website and toll-free number, provide a calculator for consumers to determine the amount of their premium after subsidies have been calculated, coordinate with the state's Medicaid and Children's Health Insurance Program (CHIP) regarding eligibility and enrollment, identify individuals exempt from the Federal insurance mandate, require participating plans to justify rate increases, and contract for Navigators to provide public education and facilitate enrollment. Either as part of the Exchange for individuals or as a separate Exchange, states must also create a Small Business Health Options Program (SHOP) to enable small businesses to enroll their employees in health plans offered on the Exchange. The ACA and related Federally-proposed rules provide States flexibility in the design of the Exchange, which may take the form of a standalone State or a regional Exchange and which may leverage components developed by Early Innovator states and the Federal government. West Virginia's goal is to create an efficient, cost-effective solution that best fits the needs of the State of West Virginia's Exchange.

For more information about the status of West Virginia's Exchange planning process, please refer to www.bewv.com.

B. PURPOSE

On behalf of the West Virginia Offices of the Insurance Commissioner and as part of the State Exchange planning process, responses are sought regarding available third-party Information Technology (IT) platforms, components and services with the necessary degree of interoperability between IT components in Federal, State, and commercial entities to support the provision of individual and small group health insurance coverage through public programs such as Medicaid and Children's Health Insurance Program (CHIP) and commercial QHPs in accordance with Federal and State laws, regulations, and standards.

This Request for Information (RFI) addresses the goals of the Exchange in acquiring functional and compliant IT systems that achieve the Federally-mandated requirements as stated in the

ACA and subsequent regulations, as well as West Virginia's goal of leveraging existing State and other IT assets to the degree possible to create a financially efficient Exchange. The purpose of this RFI is to identify viable Exchange solutions and provide WV OIC with estimated pricing, capabilities, and ideas that best fit the State of West Virginia.

Development of the Exchange's overall IT strategic plan, including a current environment assessment and a gap analysis between the current environment and the Federally-mandated Exchange environment, is presently underway. The findings of the IT strategic plan, combined with information received in this RFI, will help inform West Virginia's approach to conceptualizing a vision for the Exchange. Consequently, vendors should be prepared to describe their solution's ability to accommodate different IT models, such as a standalone model that fulfills complete Exchange functionality and models that leverage existing and/or other vendor systems, future planned Early Innovator State or Federal components, or components that may be shared as part of a Regional Exchange.

Requirements and standards are presented below in this RFI to inform vendors of the type of capabilities a proposed framework should be able to achieve.

C. SCOPE OF REQUESTED INFORMATION

Responses should address the following as they relate to the proposed development of a Health Insurance Exchange solution. West Virginia understands vendors may want to keep certain proprietary elements of their responses confidential, so per section II. H. below, vendors should feel free to provide responses to any questions below in a separate sealed envelope marked PROPRIETARY.

1. Executive Summary

- a. Provide an executive summary that includes an overview of your solution, its advantages, and what makes your solution unique. Include any previous experience with Exchange or similar technology. Your response should confirm that your solution is intended to be compliant with the ACA and all subsequent State and Federal rules and proposed regulations.

2. General Functional/Technical Specifications

- a. The future Exchange business environment, as it is known at this point in time based on the federal laws, regulations and guidance available, is described by the following six core business areas and their key business functions:
 - eligibility and enrollment
 - plan management
 - financial management
 - customer service
 - communications
 - oversight

Using these six business areas and the additional functional details provided in Attachment A, describe which Exchange functionality your solution provides. What are its components/modules? Are any optional? If your

solution does not cover all functionality required by the six areas, do you have a recommendation for how the State could develop a fully compliant Exchange that delivers complete functionality while still incorporating your solution's IT components (e.g., does your company serve as a systems integrator or do you have other relationships that may be leveraged)? Please clarify what components/work would be provided by your company versus being contracted out to other vendors.

- b. How do you envision your solution working as part of a regional Exchange as well as a standalone State Exchange?
- c. Describe and/or provide a visual representation of your proposed solution workflow and how each component is utilized throughout the workflow.
- d. How does your solution meet the Federal vision of a "modern consumer experience" comparable with those offered by leading retailers? Please provide a visual (e.g., diagram, screenshots) illustrating how a consumer completes eligibility determination and enrollment. Links to demonstration sites are encouraged.
- e. How does your solution provide the SHOP functionality including, but not limited to, determining employer and employee eligibility for the SHOP and premium aggregation and remittance to carriers?
- f. To determine eligibility for the newly eligible Medicaid population (aka the "MAGI group"), States can choose to have a fully integrated eligibility system that handles all Exchange eligibility functions or a system shared with other existing Medicaid eligibility systems. Which alternative do you recommend for your solution and why?
- g. Please describe your approach to managing the "churn" between benefit programs, e.g. Medicaid, eligibility for advanced payment of premium tax credits and cost-sharing?
- h. Is your solution a COTS product? If yes, please describe the level of customization and areas where that is available. If no, please describe the status of your solution's design and development and its readiness to be used by the State of West Virginia.
- i. Is your solution currently being used and/or are you under contract to implement in any other states; if so, are you able to share which states?
- j. What are some of the common challenges you expect Exchanges to encounter when interfacing and integrating data with Exchange users and data providers such as small businesses, health insurance carriers, and the Federal government. Describe how your technical solution addresses those challenges.
- k. Include how information can be captured as well as disseminated from your solution.
- l. Describe your solution's hardware requirements and technical architecture.
- m. Please describe how your solution uses standard-based business rules and a technology-neutral rule repository. Are the business rules expressed outside of the transactional systems?

3. Privacy/Security

- a. Indicate how your solution would assist in creating/obtaining the necessary inter-entity agreements needed to share data of this nature (e.g. IRS, Department of Labor).

- b. Describe the level of information available in the solution's audit trail and the process for Health Insurance Exchange utilization and reporting of audit trail data.
- c. Describe how your solution ensures the privacy, confidentiality, and security of patient information from technical and functional perspectives. Include in your response details regarding compliance with Health Insurance Portability and Accountability Act of 1996 (HIPAA), transaction standards, standards and protocols adopted by the Secretary pursuant to Sections 1104 and 1561 of Affordable Care Act.
- d. Describe the fundamental privacy and security features of your system.

4. Interoperability and Extensibility

- a. Describe how your system will have the capability to leverage future planned IT components that may be provided by the Federal government or leveraged from Early Innovator States.
- b. Discuss the pros and cons associated with leveraging existing State call centers (including functionality, time to implement, and cost).
- c. Discuss the pros and cons associated with leveraging existing State Internet portals (including functionality, time to implement, and cost).
- d. Describe how the solution may integrate information and process flows with such business partners as health plans, small businesses, producers, the Federal government, Navigators and others.
- e. Describe how the solution will work to avoid duplication of costs, processes, data and effort between State agencies.
- f. Please describe the lessons you have learned with regard to adverse selection (the disproportionate purchase of health insurance by the least healthy individuals) that you feel would be beneficial for the State to consider.
- g. Describe how your solution and/or implementation will help to protect against the challenges associated with adverse selection.
- h. Describe the Application Programming Interfaces (APIs), Software Development Kits (SDKs) or other tools available for third-parties to extend the functionality offered by your solution as well as the ability for State technical support or administrators to create and modify forms, menus, rules and reports.

5. Implementation

- a. How long do you anticipate from the time the contract is signed before the system would be made operational? Using the table provided below, please provide a best, expected, and worst case estimate. Describe the assumptions you have used (e.g., the level of customization required, leveraging existing State systems versus implementing new State systems for all three estimates).

Implementation Time		
	Number of Months	Rationale
Best Case		
Expected Case		
Worst Case		

- b. Indicate implementation services that are typically included in the standard pricing and those that can be purchased on a fee basis.
- c. Describe the recommended technical and end user training/education including documentation, approaches, modules offered, and services that would be offered.
- d. Describe your implementation approach, including the nature of the relationship with the client.
- e. What is your approach to testing?
- f. Discuss the nature of your proposed solution from an intellectual property perspective. Do you retain all rights to all source code and enhancements? Please discuss how your source code is maintained and secured/escrowed.

6. Operations and Maintenance

- a. Describe the level of support and maintenance required for your proposed solution. Include your description of the types of services required to keep the solution operational, staff resource requirements by technical and non-technical personnel as well as by module, hours of operation for support, support contact methods, whether support is outsourced, and any other information that may be valuable to the State.
- b. Please describe your approach to establishing a call center for ongoing customer service in support of the Exchange. Is your solution outsourced? Do multiple call centers exist, and where are they located?

7. Financial/Total Cost of Ownership

- a. Please describe your overall cost model to purchase, implement, and operate your described solution.
- b. When thinking about the total expenditure for the future Exchange as it relates to hardware, software, and implementation services, would a fair estimate for your product be: 10% hardware, 35% software, and 55% implementation services? Would you allocate these percentages differently and if so, how would you allocate them and why?
- c. Using the table provided below, please estimate (best, expected, worst case) total costs for hardware, software, and implementation for a State similar in size and population to West Virginia. Please describe the assumptions you have used (e.g. the level of customization required, leveraging of existing

State hardware such as servers, computers and of existing State systems versus implementing new state systems, etc.) for all three estimates.

Total Hardware, Software, and Implementation Costs		
	Dollars	Rationale
Best Case		
Worst Case		
Expected Case		

- d. Using the table provided below, please estimate annual software license maintenance costs (best, expected, and worst case) for a State similar in size and population to West Virginia. Please describe the assumptions you have used (e.g., the level of customization required, leveraging existing State systems versus implementing new state systems, etc.) for all three estimates.

Annual Software License Maintenance Costs		
	Dollars	Rationale
Best Case		
Worst Case		
Expected Case		

- e. Please elaborate on your cost model and approach to ongoing operational support (services provided after go-live, that are not covered by annual software maintenance fees)? What are the options West Virginia will have to choose from and how will these options impact costs?
- f. Using the table provided below, please estimate annual operational costs (best, expected, and worst case), i.e., all costs associated after go-live that are not considered annual software maintenance fees, for a State similar in size and population to West Virginia. Please describe the assumptions you have used (e.g., the level of customization required, leveraging existing State systems versus implementing new state systems, etc.) for all three estimates.

Annual Operational Costs		
	Dollars	Rationale
Best Case		
Worst Case		
Expected Case		

- g. Describe how your solution can uniquely lower costs during design, development and implementation, as well as operationally.
- h. The Federal Government has given states a degree of flexibility when designing and implementing the Exchange. Please describe the major technology, infrastructure, and policy decisions that West Virginia will need to make and their expected/potential impact on cost.
- i. Please indicate previous experience, if any, with sustainable funding models associated with your solution.

8. Performance, Reliability and Availability

- a. Describe the system performance for the proposed solutions. In addition to the items below, list any requirements and other factors that could influence performance of the system. This includes:
 - Capacity (e.g., the number of concurrent customers or transactions the system can accommodate); and
 - System safeguards that prevent users from severely degrading system performance or “hanging” the system (e.g., searches that return a large number of records).
- b. Reliable and accessible Internet connectivity is a challenge for West Virginia’s citizens living in rural areas; currently, many of the State’s households and businesses have limited or no access to broadband. Describe any experience your organization has dealing with rural connectivity issues and any capabilities your solution has to overcome this challenge. How is the quality of the user experience and/or timeliness of transactions impacted by the type of connection the user has?

9. Project Management

- a. Please describe your level of preparedness to meet Federal deadlines for certification by January 2013 and for a fully compliant, operable Exchange by October 1, 2013.
- b. List any key dependencies for meeting those deadlines, including what you believe is needed from the State to ensure a successful outcome.

- c. Do you have previous or current relationships with other states? Can those relationships be leveraged, and if so, how?

II. RFI RESPONSE PROCEDURES

A. OFFICE AND CONTACT PERSON

Responsibilities related to this Request for Information reside with the West Virginia Offices of the Insurance Commissioner. The point of contact for the RFI is as follows:

Name: Vickie Marcum
Agency: WV Offices of the Insurance Commissioner
Address: 1124 Smith Street, Room L100
Charleston, WV 25301

Telephone: 304-558-6279 ext. 1191
E-Mail: Vickie.Marcum@wvinsurance.gov

B. GENERAL INFORMATION

A subsequent Request for Proposal (RFP) may not be issued as a result of this RFI. There will not be a contract as a result of this RFI and the State is not liable for any cost incurred by vendors in replying to this RFI. If an RFP is issued, the information provided by vendors in response to this RFI will assist the State of West Virginia in developing the Request for Proposal. This RFI does not obligate the State to reply to the RFI responses, to issue an RFP, or to include any RFI provisions or responses provided by vendors in any RFP.

C. RFI RESPONSE DUE DATE

Responses to the RFI are due by close of business (5:00 PM EST) Wednesday, November 30, 2011.

D. COMMUNICATION WITH STATE STAFF

From the date the Request for Information is issued and until the RFI due date, contact regarding this RFI between potential vendors and individuals employed by the State is restricted to written communication with the staff designated above as the point of contact for this Request for Information.

The following exceptions to these restrictions are permitted:

1. Written communication with the person(s) designated as the point(s) of contact for the RFI;
2. Contacts made pursuant to any pre-existing contracts or obligations; and
3. State-requested presentations, key personnel interviews, clarification sessions or discussions.

No individual employee of or individual representing the State is empowered to make binding statements regarding this RFI.

E. SUBMISSION OF RESPONSE

The following describes the requirements related to the RFI submission, handling and review by the State.

To facilitate the response review process, one (1) hard copy original, clearly identified as such, and two (2) additional hard copies of the entire RFI response should be submitted to the address in Section II A. The copy marked "original" shall take precedence over any other copies, should there be a discrepancy. RFI responses must be received by the RFI due date and time.

The RFI response must be no more than 50 typed pages using 11 point font or larger, with borders no less than ½ inch. RFI responses must reference the Request for Information number and be sent to the specified address in Section II A (Office and Contact Person). Please note that the address label should appear as specified on the face of each container used to send the RFI response.

The Request for Information number must be included in all correspondence.

F. PROPRIETARY INFORMATION

Data contained in the response and all documentation provided therein become the property of the State of West Virginia and the data become public information upon opening the response. If the vendor wishes to have any information withheld from the public, such information must be submitted in a sealed package, which is separate from the remainder of the response. The separate package must be clearly marked PROPRIETARY on the outside of the package. Vendor may not mark their entire Request for Information as proprietary. Failure of the vendor to follow the instructions for submitting proprietary and copyrighted information may result in the information being viewed by other vendors and the public. Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose. Although every effort will be made to withhold information that is properly submitted as proprietary and meets the State's definition of proprietary information, the State is under no obligation to maintain the confidentiality of proprietary information and accepts no liability for the release of such information.

III. ATTACHMENTS

A. EXCHANGE CORE BUSINESS AREAS/FUNCTIONS

The future Exchange environment, as it is known at this point in time based on federal laws, regulations and guidance, is described by the six core business areas and their key business functions outlined in the CMS Exchange Reference Architecture (ERA): Foundation Guidance v0.99 March 16, 2011, plus the Exchange requirements and functions set forth in the Affordable Care Act (ACA) and the Notice of Proposed Rule Making (NPRM) 45 CFR Parts 155 and 156, Establishment of Exchanges and Qualified Health Plans.

The table below presents the six core business areas and key business processes; vendors should incorporate if/how their solution addresses each area into their RFI responses.

Business Area	Reference (All are Proposed Rules)	Future Exchange Business Environment
Eligibility & Enrollment	45 CFR 155 Subpart H	Exchange Functions: Small Business Health Options Program (SHOP)
	45 CFR 155.200 (b)	Certificates of exemption
	45 CFR 155.200 (c)	Eligibility determinations
	45 CFR 155.200 (d)	Appeals of individual eligibility
	45 CFR 155.400	Enrollment of qualified individuals into QHPs
	45 CFR 155.405 (a)	Single streamlined application for QHPs, advance payments of the premium tax credit, cost-sharing reductions, and Medicaid, CHIP or the BHP where applicable.
	45 CFR 155.405 (c)(2)	Provide the tools to allow for applicant to file an application via an Internet portal; by telephone through a call center; by mail; and in person
Plan Management	45 CFR 155 Subpart K	Plan certification, recertification, and decertification
	TBD	Plan monitoring and review
	TBD	Plan quality rating
Financial Management	45 CFR Part 153	Plan assessment, reinsurance, risk adjustment, and risk corridors
	TBD	Reconciliation of reductions in enrollee out-of-pocket costs
	TBD	Determination of issuer credits
	TBD	Premium tax credit and cost-sharing reduction administration

Business Area	Reference (All are Proposed Rules)	Future Exchange Business Environment
Customer Service	45 CFR 155.205 (a)	Call center
	45 CFR 155.205 (b)	Internet Web site
	(1)	Provides standardized comparative information on each available QHP
	(2)	Is accessible to people with disabilities
	(3)	Publishes [certain] financial information
	(4)	Provides information about Navigators, etc
	(5)	Allows for an eligibility determination
	(6)	Allows for enrollment in coverage
	45 CFR 155.205 (c)	Exchange calculator
	45 CFR 155.205 (d)	Consumer Assistance including the Navigator program
Communications	45 CFR 155.205 (e)	Outreach and education
		Applications and notices
		Measurement/reporting of communication effectiveness
Oversight	45 CFR 155.200 (e)	Oversight and financial integrity
	45 CFR 155.200 (f)	Quality activities.

B. VENDOR CONTACT SHEET

Attachment B should be completed and submitted with each response to this solicitation document. This is intended to provide the State with information on the vendor's name and address, and the specific persons who are responsible for preparation of the vendor's response.

Preparation of Response Contact Information	
Vendor Name:	
Vendor Address:	
Contact Person & Title:	
E-mail Address:	
Telephone Number (Office):	
Telephone Number (Cellular):	
Fax Number:	

Each vendor shall also designate a specific contact person who will be responsible for responding to the State if any clarifications of the vendor's response should become necessary.

Communication with the State Contact Information	
Vendor Name:	
Vendor Address:	
Contact Person & Title:	
E-mail Address:	
Telephone Number (Office):	
Telephone Number (Cellular):	
Fax Number:	